

House File 2252 - Introduced

HOUSE FILE 2252
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 525)

A BILL FOR

1 An Act relating to artisan's liens and Iowa's consumer frauds
2 Act and making remedies applicable.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 577.3 Possession to be surrendered
2 upon notice from attorney general.

3 1. A supplier, as defined in section 537B.2, upon receipt of
4 a written notice from the attorney general that the attorney
5 general has reason to believe that the supplier has engaged
6 in a deceptive act or practice pursuant to section 537B.6,
7 subsections 2 through 12, in connection with a transaction in
8 which the supplier is asserting a lien to personal property
9 pursuant to this chapter, shall surrender possession of the
10 property to the owner of the property. The supplier shall
11 make the property available to the owner within one business
12 day of receiving notice from the attorney general during the
13 supplier's usual business hours.

14 2. The attorney general shall serve the written notice
15 pursuant to subsection 1 by certified mail and such notice
16 shall be presumed to have been received by the supplier upon
17 the earlier of the date of actual receipt, the date upon which
18 the supplier refused initial delivery, or the date the supplier
19 was notified was the last day to retrieve the delivery from the
20 postal service.

21 3. The attorney general's belief that the supplier has
22 engaged in a deceptive act or practice pursuant to section
23 537B.6, subsections 2 through 12, the supplier's surrendering
24 possession of the motor vehicle to the owner pursuant to this
25 section, and the attorney general's service of notice on the
26 supplier pursuant to this section shall not be admissible
27 in any litigation between the supplier and the owner of the
28 property subject to the lien unless the supplier fails to
29 comply with the requirements of this section.

30 4. An otherwise valid lien under this chapter is not lost
31 as a result of the supplier surrendering possession of the
32 property pursuant to this section and an otherwise valid lien
33 may be foreclosed pursuant to section 554.7308 within one year
34 of the supplier surrendering possession under this section.

35 5. In addition to any other applicable remedy, the attorney

1 general may seek relief against a supplier for a violation
2 of this section to the same extent the attorney general may
3 seek relief under section 714.16, subsection 6, for failure or
4 refusal to obey a subpoena issued by the attorney general.

5

EXPLANATION

6 This bill provides that a supplier under Code section
7 537B.2 (a person offering to contract for repairs or service
8 upon a motor vehicle), upon receipt of a written notice from
9 the attorney general that the attorney general has reason
10 to believe that the supplier has engaged in a deceptive act
11 or practice under the motor vehicle service trade practices
12 Act in connection with a transaction in which the supplier
13 is asserting an artisan's lien to personal property, is
14 required to surrender possession of the property to the owner
15 of the property within one business day of receiving notice
16 during the supplier's usual business hours. In addition, an
17 otherwise valid artisan's lien is not extinguished as a result
18 of the supplier surrendering possession of the property and
19 an otherwise valid artisan's lien may be foreclosed pursuant
20 to Code section 554.7308 within one year of the supplier
21 surrendering possession under the bill.

22 The bill provides that the attorney general's belief that
23 the supplier has engaged in a deceptive act or practice under
24 the motor vehicle service trade practices Act, the supplier's
25 surrendering possession of the motor vehicle to the owner
26 pursuant to the bill, and the attorney general's service of
27 notice on the supplier under the bill, is not admissible in any
28 litigation between the supplier and the owner of the property
29 subject to the lien unless the supplier fails to comply with
30 the requirements of the bill.

31 The bill provides that, in addition to any other applicable
32 remedy, the attorney general may seek relief against a supplier
33 for a violation of the bill to the same extent the attorney
34 general may seek injunctive or other relief under Iowa's
35 consumer frauds Act for failure or refusal to obey a subpoena

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1 issued by the attorney general.